

World's fats, oils production down

one million tons

Total world fats and oils output in 1977 will be about 48.2 million tons, almost one million metric tons below the 1976 total production of 49.1 million tons, Alan Holz, USDA agricultural economist, told a Mississippi Feed and Grain Seminar in February.

Total supply of fats and oils will be about 50.49 million tons during 1977, Holz said, compared to 50.55 million tons in 1976.

The declining production will mean increased use of U.S. vegetable oil stocks this spring, Holz said, but soybean oil stocks as such may continue sharply above last year's level.

The production drop reflects the smaller U.S. soybean harvest of 1976 compared to 1975, lower than expected gains in Brazil's soybean crop, and drops in India's peanut harvest and Soviet sunflowerseed harvest.

"World palm oil output will continue to expand in 1977, probably registering a larger gain than last year following Malaysia's recovery from the drought," Holz said. "However, less favorable rainfall in the Philippines will probably result in reduced world export availabilities of copra and coconut oil in 1977, following last year's record large volume. This would be a sharp contrast from last year when substantial gains in exports were registered in both palm and coconut oils.

"On an oil basis, this year's expected gains in cottonseed, sunflowerseed and lard output will be about offset by reductions in rapeseed, peanut, and olive oil."

Despite an abundance of vegetable oil in world markets, Holz said there should be relatively strong foreign demand that could sharply boost U.S. exports of soybean oil this year.

"This together with the forecast shortfall in output should be constructive for prices as the season advances,"

Holz said, with key factors being imports by India, the People's Republic of China, and some Near East countries.

India may import about 500,000 tons of oil during 1977 (see related article on Page 000).

Firm statistics on China's production are difficult to obtain, but adjacent Soviet soybean acreage reportedly suffered a sharp drop from the previous year. China did make a major soybean purchase in Brazil, confirmed this past July, Holz said, and there are indications of possible purchase of soybean oil, unconfirmed as of February.

The forecast 1977 shortfall in meal and oil output may prompt increased oilseed production in some minor producing countries if prices remain attractive, Holz said. Argentina soybeans and Canadian rapeseed are two likely candidates, especially in Canada where acreage planted in wheat could be shifted to rapeseed.

Tight supplies of meal and the reduction in fats and oils production in 1977 will mean that a "sharply above trend gain will be needed for meal and oil output in 1978," Holz said.

The world 1978 meal and oil output probably needs to increase about 6.5 million tons for meal and 2.2 million tons for oil to get back to past growth trends, Holz said. This probably would require U.S. production in 1977 of 1.57 billion bushels of soybeans. Holz noted that this is not likely to happen since a trendline yield of 28 bushels per acre nationwide would require about 56 million harvested acres, or 57 million planted acres to produce that volume. The January 1977 estimate was that farmers intend to plant about 53 million acres to soybeans this spring.

"Soybean supplies will likely continue to be relatively tight into 1977-78 unless foreign production gains are exceptionally large," Holz said, "or unless domestic and

TABLE I

Estimated Production and Exports of Selected Major Oilseeds and Meals in Soybean Meal Equivalent 1975/77
(In million metric tons)

Item	Production ^a			Exports		
	1975	1976 ^b	1977 ^c	1975	1976 ^b	1977 ^c
United States						
Soybean	24.7	31.4	25.7	13.7	17.1	16.0
Other	2.4	2.1	2.2	0.4	0.3	0.3
Total	27.1	33.5	27.9	14.1	17.4	16.3
Brazil (soy)	7.3	8.4	9.3	5.8	7.2	8.1
All other (soy)	5.3	6.2	6.1	0.5	0.5	0.7
Peru (fish meal)	1.0	1.2	1.3	1.1	0.9	1.1
Other foreign (fish meal)	4.2	4.3	4.4	1.6	1.6	1.6
India (peanuts)	1.7	2.3	1.9	0.7	1.2	1.0
Canada (rapeseed)	0.4	0.6	0.3	0.3	0.3	0.3
USSR (sunflower)	2.1	1.6	1.6	--	--	--
Foreign (cottonseed)	6.1	5.4	5.7	0.8	0.7	0.8
All other	8.0	8.4	8.7	2.2	2.7	2.9
World total	63.2	71.8	67.1	27.1	32.5	32.8
	(In percent)					
Proportion of world U.S. total	43	46	41	52	54	50
Brazil soy	12	12	14	21	22	25
All other	45	42	45	27	24	25

^aCalculated from assumed crushings and extraction rates applied to that portion of each crop available for crushing and/or export and not actual crushings.

^bEstimated.

^cForecast.

foreign demand suffer major setbacks this season. I am optimistic that U.S. producers can look forward to relatively favorable soybean prices for the foreseeable future."

With restricted gains in potential meal exports and increasing animal herds, plus potential soybean purchases by the Soviet Union and the People's Republic of China, Holz listed several conclusions that could be drawn.

First, foreign consumption of meal, which has been expanding by about two million tons a year, will be restricted to a growth of no more than one million tons in 1977, which assumes the stock disposal of 600,000 tons of milk powder as feed in the European Economic Community.

Second, because of anticipated sizable purchases by the USSR and PRC, there will be little room for growth in meal consumption in many traditional export markets for U.S. meal.

Third, the tight situation for meal appears likely to continue even after the 1977 Brazilian crop reaches market.

"This would mean that soybean meal prices would likely continue to be relatively expensive compared with grain, and compared with a year ago, until the 1977 U.S. soybean crop becomes available for consumption in September."

His fourth conclusion was the need for a sharp increase in 1978 meal and oil production as outlined previously.

Brazil, second only to the U.S. in soybean export sales, still has substantial expansion potential, Holz said, and "could boost output by at least 50 percent over the next decade."

"Brazilian yields have grown by roughly 0.4 bushels per acre per year and will likely continue to show gains," he said.

"Brazil's soybean production growth potential could be dulled somewhat if the technology for corn production there improves yields more in line with U.S. corn yields. This would greatly increase the relative profitability of corn vs. beans and possibly trim the magnitude of future soybean production gains by shifting more acreage to corn." ●

TABLE II
World Supplies of Oils and Meals with Linear Trend Comparisons,
Annual 1965-76 with 1977 Projections
(In million metric tons)

Year	Oils and fats					Cakes and meals				
	U.S. stocks ^a	World production ^b	Total supply	1965-75 trend	Deviation from trend	U.S. stocks ^c	World production ^d	Total supply	1965-75 trend	Deviation from trend
1965	1.17	35.33	36.50	35.95	+55	1.57	40.52	42.09	43.01	-.92
1966	.70	36.20	36.90	37.18	-.28	.74	44.15	44.89	45.58	-.69
1967	.80	37.56	38.36	38.40	-.04	.89	46.67	47.56	48.14	-.58
1968	1.20	38.41	39.61	39.62	-.01	2.07	48.27	50.34	50.70	-.36
1969	1.49	38.45	39.94	40.84	-.90	3.73	50.69	54.42	53.26	+1.16
1970	2.28	39.96	42.24	42.06	+18	7.21	53.39	60.60	55.82	+4.78
1971	1.74	42.34	44.08	43.28	+80	5.10	54.74	59.84	58.38	+1.46
1972	1.27	43.57	44.84	44.50	+34	2.27	55.75	58.02	60.94	-2.92
1973	1.15	42.82	43.97	45.72	-1.75	1.73	57.30	59.03	63.50	-4.47
1974	.87	47.43	48.30	46.94	+1.36	1.46	68.26	69.72	66.06	+3.66
1975	1.58	46.36	47.84	48.16	-.22	4.16	63.21	67.37	68.62	-1.25
1976	1.51	49.04	50.55	49.38	1.17	4.33	71.90	76.23	71.18	+5.05
1977	2.26	48.23	50.19	50.60	-.11	5.60	67.41	73.01	73.74	-.73
1978	1.39	50.43	(e)	51.82	.00	2.35	73.95	(e)	76.30	.00

^aOil equivalent soybean stocks on September 1 of previous year plus fat equivalent of 11 major food fats plus fat equivalent of reported finished product inventories on October 1 of previous year.

^bIncludes vegetable animal and marine oils and fats.

^cSoybean meal equivalent of soybean stocks on September 1 of previous year plus reported soybean meal stocks on October 1 of previous year.

^dIncludes soybean, fish, peanut, cottonseed, sunflower, flaxseed, rapeseed, copra and palm kernel meals adjusted to soybean meal equivalent.

^eNot available.

TABLE III
Fats and Oils^a: World Production and Exports
Annual 1974-77
(In 1,000 metric tons)

Commodity	Production				Exports			
	1974	1975	1976	1977	1974	1975	1976	1977
Soybean	9,382	8,314	10,231	9,140	3,798	3,535	4,485	4,675
Sunflower	4,509	3,980	3,601	3,669	866	705	615	650
Rapeseed	2,410	2,618	2,824	2,619	708	615	740	760
Palm	2,627	2,944	3,138	3,573	1,452	1,773	2,005	2,340
Fish	996	972	889	930	493	540	455	480
Peanut	3,151	3,175	3,732	3,505	700	705	930	920
Lard	4,534	4,424	4,250	4,400	505	516	475	525
Laurics ^b	2,831	3,485	3,716	3,558	1,358	1,914	2,134	1,975
Cotton	3,166	3,238	2,721	2,995	397	415	335	380
Other edible ^c	7,221	7,130	7,736	7,486	1,091	987	1,098	1,115
Tallow and greases	4,955	4,599	4,800	4,850	1,644	1,437	1,500	1,550
Other inedible ^d	1,649	1,408	1,530	1,484	605	504	561	661
Total	47,431	46,287	49,168	43,209	13,617	13,646	15,333	16,031
U.S.	12,342	10,116	12,042	10,775	5,205	4,219	5,020	5,021
Foreign	35,087	36,171	37,126	37,434	8,412	9,427	10,313	11,010

^aIncludes the oil equivalent of oilseeds, animal fats and marine oils.

^bIncludes coconut oil, palm kernel and babassu oils.

^cIncludes sesame, safflower, corn, olive, butter and whale oils.

^dIncludes linseed, castor, oiticica, tung, olive residue and sperm oils.

U.S. oilseed exports may top \$6 billion

Estimated value for 1977 exports of oilseeds and their products from the United States is pegged at \$6.1 billion, a boost of 30 percent over the 1976 value of \$4.652 billion, in a recent USDA booklet, "Outlook for U.S. Agricultural Exports."

Total U.S. agricultural exports for the marketing year are estimated at \$23.2 billion and agricultural imports at \$13.4 billion.

Three major factors are cited in the rising value of oilseed exports:

(a) The January 1977 crop report reduced the 1976 U.S. soybean harvest estimate to 34.4 million tons, 7.7 million tons below the 1975 crop estimate.

(b) India's 1976 peanut crop estimate has been revised downward to 5.8 million tons, 1.8 million tons below last year's record. India's 1977 vegetable oil import requirements are now estimated at 400,000 to 500,000 tons.

(c) The 1976 Soviet sunflowerseed crop reportedly was 5.2 million tons, or 2.3 million tons below the planned target. The Soviets already have purchased 2 million tons of U.S. and Brazilian soybeans (which will supply about 350,000 tons of oil), but will need to increase imports, or reduce sunflower exports, oil stocks or consumption to compensate for the lower domestic production.

U.S. soybean exports to the USSR are estimated at 1.2 million tons for fiscal 1977, compared with 324,000 tons in 1975/76. Vegetable oil shipments to Africa are expected to increase, primarily because Egypt is expected to import more than the 147,000 tons of oil that it did during 1975/76.

Tallow and grease shipments are expected to increase about 13 percent, contributing to a total export value for livestock and products of \$1.9 billion, compared to \$1.847 for the preceding year.

Volume of animal fats exports will be about 1.2 million metric tons, the report says, compared to 1.02 million metric tons the preceding year. Drought conditions this past year in portions of Western Europe have caused reductions in animal herds that may trigger heavier demand for U.S. animal fats in world trade.

U.S. agricultural imports of oilseeds and products are expected to rise from \$539 million to \$600 million.

The figures used in the report represent exports from October through September marketing years, not calendar years. The material was compiled by the USDA's Outlook and Situation Board, Economic Research Service and Foreign Agricultural Service. ●

Calendar year exports tabulated

While the current export outlook report above was based on marketing year figures, the USDA's Economic Research Service used a calendar-year basis in its Foreign Agricultural Trade of the United States report issued in February.

During calendar year 1976, ERS says, the value of U.S. agricultural exports was \$23 billion, a 5 percent increase over 1975's \$21.9 billion.

Oilseeds and products worth \$5.070 billion were exported in 1976 the report says, a five percent boost over 1975. Value of 1976 exports by divisions (with 1975 values in parentheses) were: Cottonseed and soybean oil, \$368 million (\$466 million), soybeans, \$3.3 billion (\$2.8 billion); protein meal \$899 million (\$672 million); others, \$488 million (\$449 million).

Value of exported animal fats, oils and greases totaled \$443 million in 1976 compared to \$360 million in 1975, the report said, a 23 percent increase.

U.S. imports of oilseeds and products declined in cost despite increasing volumes because of declines in import

prices. Imports of coconut oil, for example, rose from 869 million pounds to 1.2 billion pounds, but the imports' cost declined from \$202 million to \$182 million. ●

Soybean acreage may be 53 million acres

United States farmers are expected to plant about 53 million acres of soybeans this spring, according to the February Fats and Oils Situation report from the USDA's Economic Research Service.

Those planting intentions as of Jan. 1 could produce a crop of about 1.4 billion bushels, according to University of Illinois agricultural economists, who note that the 1975 yield average would produce 1.5 billion bushels on that acreage while the 1972 yield average would result in a 1.2 billion bushel harvest.

Soybean acreages totaling 55 million to 58 million acres were forecast in the March 22, 1977, "Agricultural Supply and Demand Estimates" from the USDA's Outlook and Situation Board. March soybean-corn price ratios of 3½ to 1 in favor of soybeans should boost acreage above the 53 million acres forecast in the Jan. 1 planting intentions survey, the board said. In March 1973, when the ratio exceeded 4 to 1, farmers increased 1973 soybean acreage about 10 million acres over the previous year. Spring planting weather and double-cropping will be the two other major variables for soybean acreage, the board said.

Prices for soybeans are likely to remain high through the spring at least until the Brazilian soybean harvest, estimated in March at 12.6 million metric tons, reaches the market. Prices also could drop this summer and fall as the expanded U.S. acreage nears harvest. Soybean prices are expected, however, to average \$6.75 to 7.25 per bushel during the full season, the bulletin said.

Cottonseed oil supplies, at 1.4 billion pounds, are up a fifth from 1975-76, the report said, adding that domestic use may approach 600 million pounds.

Total U.S. soybean oil supplies for 1976-77 are estimated at 10 billion pounds, according to the report. Domestic usage may be 7.5 billion pounds, below last year's record 8 billion pounds. Exports are estimated at 1.3 billion pounds compared to 1.0 billion a year ago.

Other South American nations, besides Brazil, with increasing soybean crops are Argentina and Paraguay. Argentina's estimated production of 1.2 million tons would be nearly double the 1976 harvest of 0.7 million tons; exports are expected to double to 0.6 million tons. Paraguay's expected production of 0.3 million tons would be a 20 percent increase over 1975.

For the 1976-77 marketing year, palm oil imports are forecast at 800 million pounds, down 14 percent, based on a normal price discount of 2 to 3 cents per pound to soybean oil.

World coconut oil production during calendar 1977 is forecast at 2.9 million metric tons, compared with 1976's record 3.1 million metric tons. Prices are expected to be higher. Coconut oil consumption in the U.S. during the marketing year will drop sharply from the 1.2 billion pounds of 1975-76, the report said.

Cottonseed oil supplies for 1976-77 marketing year total 1.4 billion pounds, up about a fifth from the previous season, according to the report. Cottonseed oil exports will rise about 65 million pounds to 0.6 billion pounds with Egypt the largest single customer.

Lard production should hit a record 1.2 billion pounds during 1976-77, compared to the previous high of 1.0 billion pounds in 1975-76, the report said.

Peanut supply stocks are at 4.8 billion pounds, about 4 percent below the 1975-76 record 5.0 billion pounds, but still above food requirements and food use.

Total inedible tallow and grease supplies are estimated at

more than 6 billion pounds. Last year usage was rising in all major categories—animal feeds, fatty acids, soap, and lubricants—to a record 3.3 billion pounds. Exports for the near season are estimated at 2.4 billion pounds, up from 2.1 billion pounds the previous year.

The Far East is the largest market for U.S. inedible tallow and that is where palm oil and coconut oil, major competitors of U.S. tallow, are produced.

Copies of the Fats and Oils Situation are available upon request from the Economic Research Service, U.S. Department of Agriculture, Washington, DC, 20250. ●

ARS budget requests

The proposed budget for 1978 contains about \$500,000 more money for Agricultural Research Service studies on cotton, soybeans, peanuts, other oilseed commodities, and inedible uses of animal fats than the 1977 estimated expenditures for the same programs.

ARS said the figures basically represented the budget of the outgoing Ford Administration, but as of early March there had been no indication the Carter Administration would propose major changes in any of the figures.

Comparative figures are:

	'76 (actual)	'77 (estimated)	'78 (proposed)
Cotton	\$2,155,578	\$1,880,100	\$1,926,400
Soybeans	7,370,997	8,021,400	8,222,300
Peanuts	3,289,401	4,030,200	4,117,500
Other	2,284,021	2,443,600	2,495,200
Industrial use of animal fats	1,029,425	725,300	740,000
	\$16,129,422	\$17,100,600	\$17,501,400

Brazil soybeans: 12.6 million metric tons

The 1977-78 Brazilian soybean crop is estimated at 12.6 million metric tons in a special report to the USDA's Foreign Agricultural Service from Robert J. Wicks, U.S. embassy agricultural officer in Brazil (Table I).

TABLE I

Brazil: Estimated Supply and Distribution of Soybeans, Meal, and Oil in Thousands of Metric Tons

	Soybeans	
	1976-77 ^a	1977-78 ^b
Carryin	292	369
Production	11,227	12,600
Seed/waste	800	900
Available crush/exp	10,719	12,069
Exports	3,650	3,800
Crush	6,700	8,000
Ending stocks	369	269
	Soybean meal	
Carryin	241	225
Production	5,092	6,080
Domestic consumption	1,008	1,125
Exports	4,100	5,000
Ending stocks	225	180
	Soybean oil	
Carryin	84	198
Production	1,307	1,560
Domestic consumption	733	820
Exports	460	660
Ending stocks	198	278

^aApril 1, 1976 - Feb. 28, 1977.

^bMarch 1, 1977 - Feb. 28, 1978.

Exports for the 1977-78 crop year (with 1976-77 figures in parentheses) are expected to be: soybeans, 3.8 million tons (3.65 million tons); soybean meal 5.0 million tons (4.1 million tons); and soybean oil 660,000 metric tons (460,000 metric tons), according to the report.

The increased production results primarily from increased acreage. Plantings for 1977 totaled 7.1 million hectares, compared to 6.4 million in 1976, about a 10 percent increase. The official estimate for the 1976 crop is now 11.2 million metric tons.

The rate of acreage expansion is expected to slow as the better lands in (the states of) Rio Grande do Sul and Parana become fully utilized. Those two states account for more than 80 percent of Brazil's soybean acreage. Improved infrastructure in other states, however, could trigger major acreage expansions in the long-range picture, Wicks said.

Government policies favoring heavy export are expected to continue, the report said. Net income earned from export sales of crude and refined soybean oils is excluded from corporate taxable income, normally taxed at the rate of 30 percent.

The Jan. 1, 1977, termination of the government's 40 percent subsidy for fertilizers, granted to producers since 1975, will not be felt for the 1977 crop but could result in lower 1978 yields because of lighter fertilizer applications unless action is taken to reduce the cost of domestic produced fertilizer, the report said. Studies are being done on ways to reduce raw material costs for domestic fertilizer producers.

Proposed 20 to 33 percent increases in the cost for agricultural credit are not expected to have much effect. The current commercial loan rate is 56 to 62 percent, and inflation was officially set at 46.2 percent during 1976. The 20 percent rate increase would make the annual interest rate on agricultural loans about 18 percent.

Field conditions in major producing areas are listed as excellent, with earlier fears of production cuts because of flooding, fertilizer shortages, or seed shortages having disappeared.

Average soybean prices for January-October 1976 were \$215 per ton, 4 percent above 1975 prices for the same period; average meal prices during the same period were \$175 a ton, 19 percent above year earlier averages; and oil prices for the same period averages \$381 a ton, 35 percent below those of a year earlier. ●

Greek exports may rise

Despite a drop in olive oil production, Greek exports of vegetable oil are expected to increase during the 1976-77 marketing year, according to a report from Wilfred E. Phillipsen, agricultural attache in Athens.

Olive oil production for 1976-77 is expected to be about 304,000 metric tons, compared to 342,000 MT the preceding year. Increased exports, however, will be possible because of large carryover stocks of olive oil and increased imports of soybeans for processing into oil.

Beginning stocks of olive oil for the current year were about 231,000 metric tons, the report says, and production is estimated at 253,000 MT (226,000 olive oil, 27,000 residual olive oil). Exports will total 41,000 MT (including 12 MT residual) and internal consumption will be about 208 MT, leaving a carryover at the end of the year estimated at 235,000 MT.

Olive oil exports in 1975-76 totaled 10,000 MT and this year's forecast is 35,000 MT. The increase is attributed to 45,000 MT imbalance between production and consumption forecasts in six major producing countries (Spain, Italy, Tunis, Turkey, Morocco, and Portugal). The increased exports of regular olive oil and higher prices for regular olive oil will mean an increased domestic consumption of the cheaper residual oil, the report says.

If Greece becomes a member of the Common Market, it could sell its surplus olive oil within the EEC whose price to producers is above that which Greece currently guarantees its producers. The end result, the report forecasts, would be higher domestic prices in Greece, which would likely lead to a larger market within Greece for other, lower priced, imported vegetable oils.

Total number of olive oil trees as of Jan. 1, 1977, was estimated at 106.5 million, compared to 105 million a year earlier. ●

India peanut production declines

Production of peanuts in India during the 1976-77 season will be from 5.5 to 5.8 million metric tons, well below the 1975-76 record harvest of 7.0 million metric tons, according to a report from Oldrich Fejfar, agricultural officer for the U.S. Embassy in Bombay. The report, written in February, lists dry weather at sowing time as the principal reason for the lower crop. Acreage is slightly above the 1975-76 figure of 7.376 million hectares.

The result is that exports of peanuts, peanut oil, vanaspati, and peanut meal will be sharply lower in 1977, the report says, while imports of edible oils may climb to a record 600,000 metric tons during 1977. Edible oil imports of 250,000 tons in 1976 had set a record. Import restrictions have been considerably loosened.

Exports for 1977 are being restricted through export quotas and high duties. Export of hand-picked select kernels (peanuts) has been limited to 50,000 metric tons for the full 1976-77 season. Exports during calendar year 1976 totaled nearly 150,000 metric tons, despite a virtual export ban that took effect July 14.

"Exports of peanut oil and vanaspati last year amounted to about 5,000 metric tons but would be hardly any during this year," the report said. Of that 5,000 metric tons, about 2,893 went to the United Kingdom and 494 tons to France. About 1,500 metric tons of hydrogenated vegetable oils were also shipped during 1976, the report said.

Peanut meal exports, which reached 902,447 from January through October 1976, will be restricted this year by government quotas, but no figure had been set when the report was written. The quota is expected to be between 700,000 and 800,000 tons for the calendar year. Total exports the full year of 1976 are estimated at 1.2 million tons.

To extend domestic supplies, the government is requiring vanaspati manufacturers to use imported oils for up to 60% of their vegetable oil requirements, compared to a 10% minimum in effect as late as June 1976. Whereas 220,000 metric tons of imported oil were used for the butter substitute in 1976, the 1977 estimate is 300,000 to 350,000 tons. During the latter half of 1976, India received two grants totaling about \$6 million Canadian for import of rapeseed oil and on Jan. 18, 1977, received another grant of \$15 million Canadian for import of about 45,000 metric tons of Canadian rapeseed oil. On Feb. 3, 1977, a U.S. Public Law 480 agreement was signed for import of 50,000 metric tons of soybean oil.

Tallow imports which totaled 8,000 metric tons in 1976 are expected to rise to 35,000 metric tons during 1977.

Since July 16, 1976, the government has abolished all import duties on palm oil, rapeseed oil, soybean oil, peanut oil, sunflower oil, and their seeds.

"Import preference used to be for palm oil because of nearness of delivery and cheaper prices," the report said, "but interest has now shifted to soybean oil, being more easily acceptable by the vanaspati industry, and to rapeseed oil being suitable for direct edible consumption."

The report said that India is preparing a three-pronged strategy for increasing production of oilseeds, developing

systematic marketing, and encouraging "socially oriented" processing industry. The plan envisions domestic production of 12.5 million metric tons by March 1979 when the plan period ends.

The West Bengal government plans to distribute 150,000 coconut seedlings to cultivators to encourage expansion of its estimated 36,000 hectares of coconut plantation land by 600 hectares a year.

Fifty new oilseeds complexes have been proposed in the cooperative sector in different states during the next five years, the report said. The new units would have a total capacity of 800,000 metric tons of different types of oilseeds. Of the 50 proposed units, fourteen would be for peanuts, twenty for cottonseed, seven for sal seed, four for rape- and mustardseed, three for soybean, and one for cottonseed.

As of March, there had been no major development in the proposed to formulate a national policy on edible oils.

Nigeria imports rising

Nigeria's 1977-78 peanut crop is expected to be about the same as the 1976-77 crop of 380,000 metric tons, with about 50,000 tons each year reaching commercial channels, a report from U.S. agricultural attache W. Garth Thorburn says.

The country has been increasing its exports of peanut cake and meal. Whereas in January-September 1975 exports totaled about 300 metric tons, the exports for the same period in 1976 are expected at 28,016 metric tons. West Germany is the major new customer, taking about 23,043 metric tons.

Imports of peanut oil also are growing. About 39 metric tons were imported (24 of them from the United States) during January-September 1975, the report said. For January-September 1976, the estimate is that 10,550 metric tons were imported 9,507 metric tons from Niger and Senegal.

"Of the nation's 19 oil mills, reportedly only six are operating and these are handling mostly palm oil or cottonseed, or imported peanut oil for refining," the report, written in February, said. Total imports of oil—including the peanut oil mentioned above—are estimated at 30,000 tons, according to the report.

A new Peanut Commodity Marketing Board was to become operational on April 1 which will include sesame seed and sheanuts. The board will set policy on production and local and external marketing. ●

Hoffmann-La Roche cites AOCs members

AOCs members J.C. (Bud) Lamping of Park Ridge, IL, and James E. Baker of Atlanta, GA, of Hoffman-La Roche's Chemical Division have been honored by that firm for their contributions to the food department in 1976.

Lamping, an AOCs member since 1955, received the Western Regional Top Ten Award for sales volume and the President's Achievement Award for creative sales work.

Baker, an AOCs member since 1973, received the Eastern Regional Top Ten Award for sales volume.

The two men were the only recipients of the Top Ten Award for 1976.

Lamping has been with the firm since 1941. He received the Barel Award in 1965 and the Top Ten Award in 1970 and 1975. Baker joined the firm in 1970 and received the Eastern Regional Top Ten and Presidents' Achievement Award in 1974. ●

FAO oilseeds group meets

[The following report is from C.J.M. Meershoek, secretary-general of VERNOF (Association of Dutch Oils and Fats Industry).]

The 11th session of the Intergovernmental Group on Oilseeds, Oils, and Fats of the Food and Agriculture Organization of the United Nations was held at FAO headquarters in Rome, March 7-11, 1977.

Representatives of 62 countries, the European Economic Community, and of 11 governmental or private organizations were attending this annual session which was presided by Mr. G. Wanamaker (U.S.A.).

Based on the preparatory work of the statistical subgroup the group has drawn the following conclusions:

- the production of edible oils and fats will be in 1977 \pm 46.3 million tons; lower than the 47.4 million tons of 1976 (-2%);
- the production of protein meals will decrease by 6%, i.e. from 33.2 million tons (on a protein basis) in 1976 to 31.1 million tons in 1977;
- prices for oils and meals which on 1st March 1977 were already 30-35% over the average level of 1976, will increase further in 1977;
- in spite of the high prices, particularly for meals, consumption is still on a high level.

The main uncertain factor on supply-side will be the planted area (and crop conditions) in the U.S.A.

In general, the atmosphere in the meeting was gentle, which was probably caused by the favorable price prospects for the producing countries. Hard attacks on the agricultural policy or the import policy of the world's largest importer, the European Community, were held off this time.

The group agreed rather easily on the following recommendations:

- countries should avoid the introduction of new measures which could hamper import and consumption of vegetable oils and fats;
- the General System of Preferences and other measures of trade liberalization should be further extended;
- imports and consumption of oils and meals should be promoted, especially in developing countries, by programs for food aid or for concessional sales;
- to meet the current consumption requirements and to replenish the stocks, especially of high protein oilseeds, individual producers of these seeds must be made aware of the need to increase the production.

back copies

AOCS needs the following back copies of the *Journal of the American Oil Chemists' Society*: Volume 51(1974), July, Volume 52(1975), January, and Volume 53(1976), January. The Society will pay \$1.50 for each copy received in reusable condition. Send to AOCS, 508 South Sixth Street, Champaign, Illinois 61820.

1977-1978

SMALLEY

CHECK

SAMPLE

PROGRAM

Interested analysts should write to Smalley Committee, AOCS, 508 S. Sixth St., Champaign, IL 61820, prior to July 31, 1977, for order forms and complete information, which will be distributed before each series begins.

The following Check Sample Series (the number of samples being shown in parentheses) are offered:

Cottonseed (10)	Oilseed Meals (15)	Cottonseed Oil (4)
Soybeans (10)	Edible Fats (5)	Soybean Oil (4)
Peanuts (7)	Drying Oils (6)	Safflower, Sunflower, and Rape (10)
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Fish Meal (8)	Condensed Fish Solubles (8)	Fish Oil (8)
	Gas Chromatography (fatty acid composition) (6)	
	Cellulose Yield (cotton linters) (10)	
	Aflatoxins (cottonseed products) (6)	
	Aflatoxins (peanut products) (6)	
	Aflatoxins (corn products) (6)	

Additional series will be offered should sufficient interest be indicated. Please advise the Smalley Committee of series you feel would be of value.

Jim Ridlehuber, Chairman, Smalley Committee

1975 surfactant production drops

Total U.S. production of surface-active agents in 1975 amounted to 4,349 million pounds, or 7.4 percent less than the 4,696 million pounds reported for 1974, according to a report from the U.S. International Trade Commission in Washington.

"Sales of bulk surface-active agents in 1975 amounted to 2,182 million pounds, valued at \$717 million, compared with sales in 1974 of 2,502 million pounds valued at \$746 million," the report said.

Sales in 1975 compared to 1974 were 12.8 percent lower in terms of quantity, 3.9 percent less in terms of value.

Anionic surface-active agents totaled 3,063 pounds, or 70.4 percent of total 1975 surfactant output, but 3.5 percent below the 1974 anionic production. Anionic sales totaled 1,280 million pounds valued at \$285 million, the report said.

"Of the total anionic output, 724 million pounds consisted of potassium and sodium sales of fatty, rosin, and tall oil acids; 650 million pounds consisted of alkylbenzenesulfonates; 945 million pounds consisted of ligninsulfonates; and 279 million pounds consisted of sulfated ethers," the report said.

Nonionic surface-active agent production totaled 1,047 million pounds, or about 24.1 percent of the 1975 total output. The figure was about 14 percent below 1974 nonionic production. Sales of nonionics in 1975 amounted to 728 million pounds valued at \$309 million.

"Of the total nonionic output, 179 million pounds consisted of benzenoid ethers; 563 million pounds consisted of alcohol ethoxylates and other nonbenzenoid ethers; and 90 million pounds consisted of glycerol esters," the report said.

Cationic surfactant production totaled 226 million pounds, or 5.2 percent of total production. The figure was 20.5 percent below 1974 production. Sales in 1975 amounted to 159 million pounds valued at \$110 million.

"Of the total cationic output, 80 million pounds consisted of quaternary ammonium sales not containing oxygen, and 66 million pounds consisted of amines not containing oxygen," the report said.

The figures were in the preliminary report but were virtually complete and may be considered to reflect levels of production and sales in 1975, the commission said. Final figures are in the final report "Synthetic Organic Chemicals, U.S. Production and Sales, 1975," available through the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

Ethyl to market CMOS

Ethyl Corporation has obtained an option to license Lever Brothers Company's detergent builder, CMOS (the trisodium salt of carboxymethyloxysuccinic acid).

Use of CMOS as a builder, along with other ingredients in heavy duty powders or liquid detergents, can provide a formulation free of phosphate.

The option would give Ethyl the right to make and sell CMOS to others under the license to Lever Brothers' U.S. Patent No. 3,914,297. Purchasers of CMOS from Ethyl will have a royalty free license under Lever's U.S. Patent No. 3,692,685, covering use of CMOS in detergents. Lever's safety and environmental test results have been filed with the federal government. The tests indicate CMOS is readily biodegradable, nontoxic, and environmentally safe.

Ethyl said a market development program will begin shortly, with CMOS being produced at Ethyl's Orangeburg, SC, facilities.

Procter & Gamble recently has announced development of Type A Zeolite as a potential partial replacement for phosphate in detergents. P&G said use of the new ingredient would cut phosphate content significantly in products in U.S. markets but would not entirely replace phosphate.

Directory available

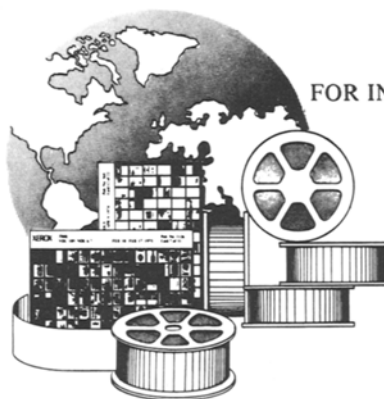
The Federation of Societies for Coatings Technology has announced publication of its 1977 Year Book/Membership Directory which lists the complete membership roster for each of its 25 constituent societies, a total of more than 6,300 names. Nonmembers may purchase copies for \$5 prepaid plus a 5% handling and postage charge. Orders should be directed to Membership Services Department, Federation of Societies for Coatings Technology, Suite 830, 1315 Walnut St., Philadelphia, PA 19107.

170 attend symposium

Approximately 170 persons attended an all-day seminar on food ingredients held March 30 at the Ramada Inn O'Hare near Chicago under the sponsorship of the North Central Section of the AOCS and the Midwest Section of the American Association of Cereal Chemists.

Among the speakers were AOCS members Vern Witte of Central Soya on "Frying Fats"; Walter Wolf and Gary List of the USDA Northern Regional Research Center on "Vegetable Proteins" and "Vegetable Oils," respectively; and Sean O'Mahony of Quaker Oats on "Fiber Sources." Pictures and a fuller report on the meeting will be published in the June *JAOCs*. "Current Concepts of Food Ingredients: A Review of Basic Technology and Recent Developments" was the full title for the symposium.

This Publication is Available in MICROFORM



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